

AMENDED IN ASSEMBLY AUGUST 1, 2016

AMENDED IN ASSEMBLY JUNE 23, 2016

AMENDED IN ASSEMBLY JUNE 8, 2016

AMENDED IN SENATE APRIL 14, 2016

AMENDED IN SENATE APRIL 12, 2016

AMENDED IN SENATE MARCH 28, 2016

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**SENATE BILL**

**No. 1113**

**Introduced by Senator Beall**

February 17, 2016

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An act to amend Section 14707.5 of, and to add Part 6 (commencing with Section 5920) to Division 5 of, the Welfare and Institutions Code, relating to pupil health.

LEGISLATIVE COUNSEL'S DIGEST

SB 1113, as amended, Beall. Pupil health: mental health.

Existing law requires school districts, county offices of education, and special education local plan areas (SELPAs) to comply with state laws that conform to the federal Individuals with Disabilities Education Act, in order that the state may qualify for federal funds available for the education of individuals with exceptional needs. Existing law requires school districts, county offices of education, and SELPAs to identify, locate, and assess individuals with exceptional needs and to provide those pupils with a free appropriate public education in the least restrictive environment, and with special education and related services, including mental health services, as reflected in an individualized education program.

Existing law contains provisions governing the operation and financing of community mental health services for the mentally disordered in every county through locally administered and locally controlled community mental health programs. Existing law, the Mental Health Services Act (MHSA), an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, funds a system of county mental health plans for the provision of mental health services, as specified. The MHSA establishes the Mental Health Services Oversight and Accountability Commission to oversee the administration of various provisions of the act.

This bill would specifically authorize a county, or a qualified provider operating as part of the county mental health plan network, and a local educational agency to enter into a partnership that includes, among other things, an agreement between the county mental health plan, or the qualified provider, and the local educational agency that establishes a Medi-Cal mental health provider that is county operated or county contracted for the provision of mental health services to pupils of the local educational agency and in which there are provisions for the delivery of campus-based mental health services through qualified providers or qualified professionals to provide on-campus support to identify pupils *with a specified education plan and pupils* not in special education who a teacher believes may require those services and, with parental consent, to provide mental health services to those pupils. The bill would create the County and Local Educational Agency Partnership Fund in the State Treasury, which would be available, upon appropriation by the Legislature, to the State Department of Education for the purpose of funding these partnerships, as specified, and would require the State Department of Education to fund these partnerships through a competitive grant program.

The bill would require funds made available in the annual Budget Act for the purpose of providing educationally related mental health services required by an individualized education program to be used only for that purpose and would prohibit those funds from being deposited into the County and Local Educational Agency Partnership Fund.

Existing law requires the State Department of Health Care Services, in collaboration with the California Health and Human Services Agency, and in consultation with the Mental Health Services Oversight and Accountability Commission, to create a plan for a performance outcome system for Early and Periodic Screening, Diagnosis, and Treatment

(EPSDT) mental health services provided to specified eligible Medi-Cal beneficiaries.

This bill would additionally require the State Department of Health Care Services to identify children ~~with who receive EPSDT mental health services as part of an individualized education program who have a primary mental health diagnosis as emotional disturbance or~~ children who are Medi-Cal beneficiaries receiving educationally related mental health services as part of an individualized education program from a local educational agency participating in the Local Educational Agency Medi-Cal Billing Option Program and to collect, utilize in the performance outcome system, and include in its reporting academic performance data and other specified data for those children. The bill would also require the State Department of Health Care Services to enter into an agreement with the State Department of Education for the State Department of Education to provide to the State Department of Health Care Services relevant academic performance data.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares that pilot  
2 projects are demonstrating that schools have significantly lower  
3 special education costs when schools partner with county-funded  
4 Medi-Cal mental health services providers to address the mental  
5 health problems of pupils in a comprehensive multitiered model  
6 that includes services for pupils at the earliest time, usually years  
7 before they would require special education, which can often be  
8 prevented. Thus, the Legislature encourages the partnerships  
9 authorized by this act to, whenever possible, look for opportunities  
10 and funding to provide pupils who do not have individualized  
11 education programs, but are in need of, and could benefit from,  
12 prevention and early intervention services, with those services.  
13 *The Legislature further encourages the State Department of*  
14 *Education and the State Department of Health Care Services to*  
15 *work toward the development of protocols to identify students who*  
16 *are Medi-Cal beneficiaries receiving educationally related mental*  
17 *health services as part of an individual educational plan for the*  
18 *purposes of data tracking.*

SEC. 2. Part 6 (commencing with Section 5920) is added to Division 5 of the Welfare and Institutions Code, to read:

PART 6. COUNTY AND LOCAL EDUCATIONAL AGENCY  
PARTNERSHIPS

5920. (a) Notwithstanding any other law, a county, or a qualified provider operating as part of the county mental health plan network, and a local educational agency may enter into a partnership that includes all of the following:

(1) *The county mental health plan, or the qualified provider, and the local educational agency utilize designated governmental funds for eligible Medi-Cal Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services provided to pupils enrolled in Medi-Cal for mental health service costs, for non-Medi-Cal enrolled pupils in special education with individualized education programs (IEPs) pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.), and for pupils not part of special education if the services are provided by a provider specified in paragraph (2).*

~~(1)~~

(2) An agreement between the county mental health plan, or the qualified provider, and the local educational agency that establishes a Medi-Cal mental health provider that is county operated or county contracted for the provision of mental health services to pupils of the local educational agency. The agreement may include provisions for the delivery of campus-based mental health services through qualified providers or qualified professionals to provide on-campus support to identify pupils *with a plan adopted pursuant to Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794(a))* and pupils not in special education who a teacher believes may require those services and, with parental consent, to provide mental health services to those pupils.

~~(2) The county mental health plan, or the qualified provider, and the local educational agency utilize designated governmental funds for eligible Medi-Cal Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) services provided to pupils enrolled in Medi-Cal for mental health service costs for non-Medi-Cal enrolled pupils in special education with individualized education programs (IEPs) pursuant to the federal~~

1 ~~Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400~~  
2 ~~et seq.), and for pupils not part of special education if the services~~  
3 ~~are provided by a provider specified in paragraph (1).~~

4 (3) The local educational agency, with permission of the pupil's  
5 parent, provides the county mental health plan provider with the  
6 information of the health insurance carrier for each pupil.

7 (4) The agreement between the county mental health plan, or  
8 the qualified provider, and the local educational agency addresses  
9 how to cover the costs of mental health provider services not  
10 covered by funds pursuant to paragraph ~~(2)~~ (1) in the event that  
11 mental health service costs exceed the agreed-upon funding  
12 outlined in the partnership agreement between the county mental  
13 health plan, or the qualified provider, and the local educational  
14 agency following a yearend cost reconciliation process, and in the  
15 event that the local educational agency does not elect to provide  
16 the services through other means.

17 (5) The agreement between the county mental health plan, or  
18 the qualified provider, and the local educational agency fulfills  
19 reporting *and all other* requirements under state and federal  
20 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400  
21 et seq.) and Medi-Cal EPSDT provisions, and measures the effect  
22 of the mental health intervention and how that intervention meets  
23 the goals in a pupil's IEP or relevant plan for non-IEP pupils.

24 (6) The county mental health plan, or the qualified provider,  
25 and the local educational agency participate in the performance  
26 outcome system established by the State Department of Health  
27 Care Services pursuant to Section 14707.5 to measure results of  
28 services provided under the partnership agreement between the  
29 county mental health plan, or the qualified provider, and the local  
30 educational agency.

31 (7) A plan to establish a partnership described in this section in  
32 at least one school within the local educational agency in the first  
33 year and to expand the partnership to three additional schools  
34 within three years.

35 (b) For purposes of this section, "local educational agency" has  
36 the same meaning as that term is defined in Section 56026.3 of  
37 the Education Code.

38 (c) Where applicable, and to the extent mutually agreed to by  
39 a school district and a plan or insurer, it is the intent of the

Legislature that a health care service plan or a health insurer be authorized to participate in the partnerships described in this part. 5921. (a) The County and Local Educational Agency Partnership Fund is hereby created in the State Treasury. Moneys in the fund are available, upon appropriation by the Legislature, to the State Department of Education for the purpose of funding the partnerships described in this part. The State Department of Education shall fund partnerships described in this part through a competitive grant program.

(b) (1) For the 2017–18 fiscal year and each fiscal year thereafter, to the extent there is an appropriation in the annual Budget Act or another measure for purposes of this part, the Superintendent of Public Instruction shall allocate funds from that appropriation to the County and Local Educational Agency Partnership Fund.

(2) Other funds identified and appropriated by the Legislature may also be deposited into the County and Local Educational Agency Partnership Fund and used for the purposes specified in subdivision (a).

(c) Funds made available in the annual Budget Act for the purpose of providing educationally related mental health services, including out-of-home residential services for emotionally disturbed pupils, required by an individualized education program, shall be used only for that purpose and shall not be deposited into the County and Local Educational Agency Partnership Fund.

SEC. 3. Section 14707.5 of the Welfare and Institutions Code is amended to read:

14707.5. (a) It is the intent of the Legislature to develop a performance outcome system for Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) mental health services that will improve outcomes at the individual and system levels and will inform fiscal decisionmaking related to the purchase of services.

(b) The State Department of Health Care Services, in collaboration with the California Health and Human Services Agency, and in consultation with the Mental Health Services Oversight and Accountability Commission, shall create a plan for a performance outcome system for EPSDT mental health services provided to eligible Medi-Cal beneficiaries under the age of 21 years of age pursuant to ~~42 U.S.C. Section 1396d(a)(4)(B)~~. *Section 1396d(a)(4)(B) of Title 42 of the United States Code.*

1 (1) Commencing no later than September 1, 2012, the  
2 department shall convene a stakeholder advisory committee  
3 comprised of representatives of child and youth clients, family  
4 members, providers, counties, and the Legislature. This  
5 consultation shall inform the creation of a plan for a performance  
6 outcome system for EPSDT mental health services.

7 (2) In developing a plan for a performance outcomes system  
8 for EPSDT mental health services, the department shall consider  
9 the following objectives, among others:

10 (A) High quality and accessible EPSDT mental health services  
11 for eligible children and youth, consistent with federal law.

12 (B) Information that improves practice at the individual,  
13 program, and system levels.

14 (C) Minimization of costs by building upon existing resources  
15 to the fullest extent possible.

16 (D) Reliable data that are collected and analyzed in a timely  
17 fashion.

18 (3) At a minimum, the plan for a performance outcome system  
19 for EPSDT mental health services shall consider evidence-based  
20 models for performance outcome systems, such as the Child and  
21 Adolescent Needs and Strengths (CANS), federal requirements,  
22 including the review by the External Quality Review Organization  
23 (EQRO), and, timelines for implementation at the provider, county,  
24 and state levels.

25 (c) The State Department of Health Care Services shall provide  
26 the performance outcomes system plan, including milestones and  
27 timelines, for EPSDT mental health services described in  
28 subdivision (a) to all fiscal committees and appropriate policy  
29 committees of the Legislature no later than October 1, 2013.

30 (d) The State Department of Health Care Services shall propose  
31 how to implement the performance outcomes system plan for  
32 EPSDT mental health services described in subdivision (a) no later  
33 than January 10, 2014.

34 (e) Commencing no later than February 1, 2014, the department  
35 shall convene a stakeholder advisory committee comprised of  
36 advocates for and representatives of, child and youth clients, family  
37 members, managed care health plans, providers, counties, and the  
38 Legislature. The committee shall develop methods to routinely  
39 measure, assess, and communicate program information regarding  
40 informing, identifying, screening, assessing, referring, and linking

1 Medi-Cal eligible beneficiaries to mental health services and  
2 supports. The committee shall also review health plan screenings  
3 for mental health illness, health plan referrals to Medi-Cal  
4 fee-for-service providers, and health plan referrals to county mental  
5 health plans, among others. The committee shall make  
6 recommendations to the department regarding performance and  
7 outcome measures that will contribute to improving timely access  
8 to appropriate care for Medi-Cal eligible beneficiaries.

9 (1) The department shall incorporate into the performance  
10 outcomes system established pursuant to this section the screenings  
11 and referrals described in this subdivision, including milestones  
12 and timelines, and shall provide an updated performance outcomes  
13 system plan to all fiscal committees and the appropriate policy  
14 committees of the Legislature no later than October 1, 2014.

15 (2) The department shall propose how to implement the updated  
16 performance systems outcome plan described in paragraph (1) no  
17 later than January 10, 2015.

18 (f) The department shall identify children ~~with~~ *who receive*  
19 *EPSDT mental health services as part of an individualized*  
20 *education program who have a primary mental health diagnosis*  
21 ~~as emotional disturbance~~, *or children who are Medi-Cal*  
22 *beneficiaries receiving educationally related mental health services*  
23 *as part of an individualized education program from a local*  
24 *educational agency participating in the Local Educational Agency*  
25 *Medi-Cal Billing Option Program*, and do both of the following:

26 (1) (A) Collect and utilize in the performance outcome system  
27 academic performance data and any other data required for the  
28 measures included within the performance outcome system for  
29 these children.

30 (B) The department shall enter into an agreement with the State  
31 Department of Education for the State Department of Education  
32 to provide to the department relevant academic performance data,  
33 as determined by the department, in consultation with the State  
34 Department of Education, for utilization in the performance  
35 outcome system pursuant to subparagraph (A).

36 (2) Within ~~18~~ 24 months of the department completing the first  
37 report on comprehensive performance outcomes pursuant to this



- 1 section, the department shall begin to include the data specified
- 2 in paragraph (1) in its reporting.

O